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## **Senator Sikkema's Statement on Tax Relief and Jobs**

**Lansing** - Earlier today, the Michigan Senate debated and then passed tax-relief bills for the state's major job providers in the manufacturing sector. Senate Majority Leader Ken Sikkema, R-Wyoming, made the following comments on the floor of the Senate:

"These bills are critical to Michigan and its people. There is a major economic restructuring occurring in this state and across the nation as we deliberate these issues. It is affecting some of the largest companies in Michigan that offer employment to tens of thousands of our friends, neighbors and fellow citizens.

"The decisions that the companies are making today and in the weeks ahead are decisions about their salvation. The economists call it 'excess capacity.' What it really means is that they have too many plants and too many employees. They need to decide right now where to close plants and in which states and communities people are going to be laid off.

"It is critical in today's economic environment that - as these companies make decisions - we in this chamber also can make a decision right now. We need to decide to do whatever is possible and whatever is prudent to make sure that it is not Michigan communities where the layoffs occur. There are two Ford plants being considered for closure right now; plants that do similar work. Ford only needs one plant - the one in Georgia or the one in Wixom, Michigan. What do you think will happen if Georgia gives a tax break to Ford and we don't? Let's not forget that Toyota is building a truck plant right now in Texas. Let's not forget that Daimler-Chrysler is building a production plant right now in South Carolina.

"This package of bills reflects the discussions that have occurred between the House, the Senate and the governor for months. It is disappointing to me that there has been so much focus on what we disagree on. I think it's important to really focus on what we agree on. There has been virtual consensus between the House, Senate and governor that there must be a more competitive tax structure for manufacturers if Michigan is going to compete with other states.

"The purpose of doing this is to send the right message to the companies that are making decisions about consolidation - that we in this Legislature are prepared to make the kind of decisions that are necessary, that we will create an incentive for job providers to stay in Michigan and grow in Michigan.

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“This package of bills reflects the same cost to the state budget as the bills we put on the governor’s desk previously - bills that she signed. I don’t dismiss the impact on the state budget. But what is the most important issue facing the state of Michigan today? Is it increasing state spending or is it growing the economy and retaining good, high-paying jobs in the state? We must retain the high-paying jobs for our friends, our neighbors and our fellow citizens, even if that requires some tough decisions about the state budget.

“I doubt very much that legislators in other states are quibbling about the impact on their budgets if it means they can keep jobs there. This is a competitive, real world we are living in. I’m proud of the Senate today and its ability to pass this legislation that will provide immediate relief for major job providers in Michigan.”